LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN THE PRC

Laws and Regulations Relating to Company Establishment and Foreign Investment

Company Law of the PRC (《中華人民共和國公司法》)

Pursuant to the PRC Company Law (《中華人民共和國公司法》) promulgated by the Standing Committee of the National People's Congress, (the "**SCNPC**") on December 29, 1993, which was amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018, and December 29, 2023 respectively and the latest amendment came into effect on July 1, 2024, the Company Law shall apply to all companies established in the PRC. The Company Law, which regulates the establishment, corporate structure and management of companies, also applies to foreign-invested companies. The major amendments of the latest PRC Company Law, which came into effect on 1 July 2024, include improving the company establishment and exit regime, optimizing the organizational structures of companies, improving the capital system of companies, strengthening the responsibilities of controlling shareholder and management, and reinforcing the social responsibilities of companies, among others.

Foreign Investment Law of the PRC and its Implementation Regulations (《中華人民共和國外商投資法》及其實施條例)

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**FIL**"), which was promulgated by the National People's Congress (the "**NPC**") on March 15, 2019, and came into effect on January 1, 2020, provides that the "foreign investment" refers to the investment activities in China carried out directly or indirectly by foreign individuals, enterprises or other organizations (the "**Foreign Investors**"), including the following: (1) Foreign Investors establishing foreign-invested enterprises in China alone or collectively with other investors; (2) Foreign Investors acquiring shares, equities, properties or other similar rights of Chinese domestic enterprises; (3) Foreign Investors investing in new projects in China alone or collectively with other investors; and (4) Foreign Investors investing through other ways prescribed by laws and regulations or the State Council. The FIL further adopts the management system of pre-establishment national treatment and negative list for foreign investment. The "pre-establishment national treatment" refers to granting to foreign investors and their investments, in the stage of investment access, the treatment no less favorable than that granted to domestic investors and their investments; the "negative list" refers to special administrative measures for access of foreign investment in specific fields as stipulated by the State. The FIL granted national treatment to foreign investments outside the negative list. The negative list will be released by or upon approval of the State Council.

In December 26, 2019, the State Council promulgated the Implementation Regulations on the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) (the "**Implementation Rules**") which came into effect in January 1, 2020. The Implementation

Rules further clarified that the state shall encourage and promote foreign investment, protect the lawful rights and interests in foreign investments, regulate foreign investment administration, continue to optimize foreign investment environment, and advance a higher-level opening.

Special Management Measures for Access of Foreign Investment ("Negative List") (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》)

Foreign investors in the PRC are subject to certain restrictions regarding the types of industries they can invest in. The Special Management Measures for Access of Foreign Investment (Negative List) (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) was promulgated by the Ministry of Commerce of the People's Republic of China (the "**MOFCOM**") and the National Development and Reform Commission (the "**NDRC**") on September 6, 2024 and came into effect on November 1, 2024. The Negative List set out the restrictive measures in a unified manner, such as the requirements on shareholding percentages and management, for the access of foreign investments, and the industries that are prohibited for foreign investment. Any field not falling in the Negative List shall be administered under the principle of equal treatment to domestic and foreign investment.

The Catalogue of Industries for Encouraging Foreign Investment (2022 Version) (《鼓勵外商投資產業目錄(2022年版)》)

The latest Catalogue of Encouraged Industries for Foreign Investment (《鼓勵外商投資產業目錄(2022年版)》) was jointly promulgated by the MOFCOM and NDRC on October 26, 2022 and took effect on January 1, 2023, whereby the Catalogue of Industries for Encouraging Foreign Investment (2020 Version) was simultaneously repealed. The catalogue stipulated the encouraged foreign investment projects.

The Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》)

The Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》) was released by the MOFCOM and the State Administration for Market Regulation (the "**SAMR**") on December 30, 2019, and became effective on January 1, 2020. Foreign investors directly or indirectly conducting investment activities within the territory of China shall submit the investment information through submission of initial reports, change reports, deregistration reports, annual reports etc. to the competent commerce authorities in accordance with The Measures on Reporting of Foreign Investment Information. When submitting an annual report, a foreign-invested enterprise shall submit the basic information on the enterprise, the information on the investors and their actual controlling party, the enterprise's operation and asset and liabilities information etc, and where the foreign investment admission special administrative measures are involved, the foreign investment enterprise shall also submit the relevant industry licensing information.

The Measures for the Security Review of Foreign Investment (《外商投資安全審查辦法》)

According to the Measures for the Security Review of Foreign Investment (《外商投資安全審查辦法》) promulgated by the NDRC and the MOFCOM on December 19, 2020 and became effective on January 18, 2021, any foreign investment that has or possibly has an impact on state security shall be subject to security review in accordance with the provisions hereof.

The Provisions on the Takeover of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》)

Pursuant to the Provisions on the Takeover of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) or the M&A Rules, which were jointly promulgated by six regulatory authorities including the CSRC on August 8, 2006, came into effect on September 8, 2006, and were last amended on June 22, 2009, mergers and acquisitions of a domestic enterprise by foreign investors shall mean that (i) foreign investors purchase equity interest from shareholders of domestic enterprise with no foreign investment or subscribe to the increase in the registered capital of the domestic company with the result that such domestic company changes into a foreign investment enterprise; or (ii) the foreign investors establish a foreign investment enterprise and then, through such enterprise, purchase the assets of a domestic enterprise by agreement and operate such assets, or (iii) the foreign investors purchase the assets of a domestic enterprise by agreement and use such assets as investment to establish a foreign investment enterprise to operate such assets. The parties to a takeover shall determine the transaction price on the basis of the assessment result of the equities to be transferred or of the assets to be sold, which is given by an asset assessment institution. It is prohibited to divert any capital abroad in any disguised form by transferring any equities or selling assets at a price which is obviously lower than the assessment result.

Laws and Regulations Relating to Product Quality

Product Quality Law of the PRC (《中華人民共和國產品質量法》)

Products made in mainland China are subject to the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》) (the "**Product Quality Law**"), which was promulgated on February 22, 1993, amended on July 8, 2000, August 27, 2009 and December 29, 2018. According to the Product Quality Law, a manufacturer of a product is responsible to compensate for the damages to any person or property caused by the defect of such a product, unless the manufacturer is able to prove that: (i) it has not circulated the product; (ii) the defect did not exist at the time when the product was circulated; or (iii) scientific or technological knowledge at the time when the product was circulated was not such that it allowed the defect to be discovered.

Civil Code of the PRC (《中華人民共和國民法典》)

Pursuant to the PRC Civil Code (《中華人民共和國民法典》), which was promulgated by the NPC on May 28, 2020 and became effective on January 1, 2021, in the event of damages caused to other party due to the defects in a product, the infringed party may seek compensation from the manufacturer or the seller of such product and shall have the right to request the manufacturer and the seller to bear tortious liabilities, such as cessation of infringement, removal of obstruction, and elimination of danger.

The Consumer Rights and Interests Protection Law of the PRC (《中華人民共和國消費者權益保護法》)

The Consumer Rights and Interests Protection Law of the People's Republic of China (《中華人民共和國消費者權益保護法》) (the "**Consumers Protection Law**") was promulgated on October 31, 1993 and became effective on January 1, 1994. The Consumers Protection Law has been further revised on August 27, 2009 and October 25, 2013. According to the Consumers Protection Law, consumers shall have the right to require business operators to provide commodities and services meeting the requirements for personal and property safety. Business operators shall guarantee that their provided commodities or services meet the requirements on personal and property safety. For commodities and services which may endanger personal or property safety, business operators shall provide consumers with true explanations and clear warnings, explaining and indicating the correct methods of using commodities or receiving services and the methods for preventing damage. And business operators who fail to fulfil the security obligations and causes harm to consumers shall bear tort liability.

Regulations on Cybersecurity and Data Protection

The National Security Law of the PRC (《中華人民共和國國家安全法》)

On July 1, 2015, the SCNPC promulgated the National Security Law of the PRC (《中華人民共和國國家安全法》), which became effective on the same day, pursuant to which the state shall safeguard the sovereignty, security and cybersecurity development interests of the state, and that the state shall establish a national security review and supervision system to review, among other things, foreign investments, key technologies, internet and IT products and services, and other important activities that are likely to impact the national security of the PRC.

The SCNPC promulgated the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》)

On November 7, 2016, the SCNPC promulgated the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) (the "**Cybersecurity Law**"), which became effective on June 1, 2017 and is applied to the construction, operation, maintenance and use of networks as well as the supervision and administration of cybersecurity in the PRC. According to the

Cybersecurity Law, network operators shall comply with laws and regulations and fulfill the obligations to safeguard the security of the network when conducting business and providing services. Those who provide services through networks shall take technical measures and other necessary measures in accordance with the mandatory requirements of laws, regulations and national standards to safeguard the safe and stable operation of the networks, respond to network security incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and availability of network data, and network operators shall not collect the personal information irrelevant to the services provided, or collect or use the personal information in violation of the provisions of laws or agreements between both parties.

The Data Security Law of PRC (《中華人民共和國數據安全法》)

On June 10, 2021, the SCNPC promulgated the Data Security Law of PRC (《中華人民共和國數據安全法》) (the "**Data Security Law**"), which became effective on September 1, 2021. The Data Security Law mainly sets forth specific provisions regarding the establishment of basic systems for data security management, including hierarchical data classification management system, risk assessment system, monitoring and early warning system, and emergency response system. In addition, the Data Security Law clarifies the data security protection obligations of organizations and individuals carrying out data activities and implements data security protection responsibilities.

The Personal Information Protection Law of PRC (《中華人民共和國個人信息保護法》)

On August 20, 2021, the SCNPC promulgated the Personal Information Protection Law of PRC (《中華人民共和國個人信息保護法》), which came into effect on November 1, 2021. The Personal Information Protection Law aims to protect the rights and interests of personal information, regulate the processing of personal information, safeguard the orderly and free flow of personal information in accordance with the law, and promote the rational use of personal information. The Personal Information Protection Law establishes a comprehensive system of rules for the processing of personal information, including that the processing of personal information shall have a clear and reasonable purpose, that the processing of sensitive information is subject to additional protection, that the provision of personal information to outsiders and the entrusted processing of personal information requires the signing of a special agreement to ensure security, that the preservation, deletion, disclosure and automated decision-making of personal information should comply with special rules, and that processors of personal information should have appropriate organizational, institutional and technical measures in place.

The Regulations on Protecting the Security of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》)

On July 30, 2021, the State Council promulgated the Critical Information Infrastructure Protection Regulations (《關鍵信息基礎設施安全保護條例》), which came into effect on September 1, 2021. Pursuant to the Critical Information Infrastructure Protection Regulations, critical information infrastructure means any network facilities and information systems in

important industries and fields, such as public communication and information services, energy, transportation, water conservancy, finance, public services, e-government, and science, technology and industry for national defense, that may seriously endanger national security, national economy and people's livelihood, and public interests in the event that they are damaged or their data are leaked. The Critical Information Infrastructure Protection Regulations stipulate that the aforementioned competent authorities and supervision and administration authorities of important industries and fields are the authorities responsible for critical information infrastructure security protection. Such agencies shall be responsible for organizing the determination of critical information infrastructure in the industry and field concerned according to the determination rules, inform the operators of the determination results in a timely manner, and notify the public security department under the State Council of the same. An operator shall assume strict operator responsibilities after being recognized as a critical information infrastructure operator.

The Network Data Regulation (《網絡數據安全管理條例》)

On September 24, 2024, the State Council released the Network Data Regulation (《網絡數據安全管理條例》) (the "**Network Data Regulation**"), which came into force on January 1, 2025. The Network Data Regulation introduces several key obligations, including requiring network data handlers to specify the purpose and method of personal information processing, as well as the types of personal information involved, before any personal information is handled. It also clarifies definitions for important data, outlines the obligations of those handling important data, establishes broader contractual requirements for data sharing between data handlers, and introduces a new exemption for regulatory obligations regarding cross-border data transfers.

The Measures for Cybersecurity Review (《網絡安全審查辦法》)

On December 28, 2021, the Cyberspace Administration of China (中華人民共和國國家互聯網信息辦公室) (the "**CAC**") and other thirteen PRC regulatory authorities jointly revised and promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "**Cybersecurity Review Measures**"), which became effective on February 15, 2022. The Cybersecurity Review Measures provides that, among others, (i) critical information infrastructure operators that purchase network products and services or network platform operators that engage in data processing activities that affect or may affect national security shall be subject to the cybersecurity review by the Cybersecurity Review Office, the department which is responsible for the implementation of cybersecurity review under the CAC; (ii) network platform operators with personal information data of more than one million users that seek for listing in a foreign country are obliged to apply for a cybersecurity review by the Cybersecurity Review Office; and (iii) the relevant regulatory authorities may initiate cybersecurity review if such regulatory authorities determine that the enterprise's network products or services, or data processing activities affect or may affect national security.

The Provisions on Facilitating and Regulating Cross-Border Data Flows (《促進和規範數據跨境流動規定》)

On March 22, 2024, the Cyberspace Administration of China (the "**CAC**") promulgated the Provisions on Facilitating and Regulating Cross-Border Data Flows (《促進和規範數據跨境流動規定》), which came into effect on the date of publication. The Provisions on Facilitating and Regulating Cross-Border Data Flows update the Measures for Cross-border Data Transfer Security Assessment and the Measures for the Standard Contract for the Cross-border Transfer of Personal Information previously implemented by the CAC. This provision first specifies the criteria for declaring important data for cross-border transfer security assessment. Secondly, it specifies the conditions for data cross-border transfer that are exempted from declaring the security assessment of cross-border data transfer, signing and filing a Standard Contract for the Cross-border Transfer of Personal Information, and applying for Personal Information Protection Certification. Third, it establishes a negative list system for pilot free trade zones. Fourth, adjusting the conditions for data cross-border transfer that should be declared for the security assessment of cross-border data transfer, signing and filing a Standard Contract for the Cross-border Transfer of Personal Information, and applying for Personal Information Protection Certification. Fifth, the validity period of the results of the security assessment of cross-border data transfer should be extended, and the provision that data processors may apply for an extension of the validity period of the assessment results should be made.

Laws and Regulations on E-commerce and Online Transaction

The E-Commerce Law of the PRC (《中華人民共和國電子商務法》)

According to the E-Commerce Law of the PRC (《中華人民共和國電子商務法》), which was promulgated by the SCNPC on August 31, 2018 and came into effect on January 1, 2019, E-Commerce refers to business activities of sale of goods or provision of services through Internet and other information network while E-commerce business operators refer to natural persons, legal persons and other non-legal-person organisations that engage in business activities of sale of goods or provision of services through Internet and other information network. E-commerce operators shall complete the market entity registration (unless no such registration is required by laws and administrative regulations) and obtain the relevant administrative licenses for conducting those operational activities which are required by law to obtain administrative licenses.

Commodities sold or services offered by e-commerce operators shall meet the requirements to protect personal and property safety and the environmental protection requirements, and e-commerce operators shall not sell or provide any commodity or service prohibited by laws and administrative regulations. E-commerce platform operators who know or should have known that the goods sold or services provided by the operators within the platform do not meet the requirements for ensuring personal and property safety, or if there are other acts that infringe upon the legitimate rights and interests of consumers, and have not taken necessary measures, shall bear joint and several liabilities with those operators. The authorities may order these e-commerce platform operators to rectify within a specified period or to suspend business operations, and may impose a fine of up to RMB2,000,000.

The Measures for the Supervision and Administration of Online Transactions (《網絡交易監督管理辦法》)

The Measures for the Supervision and Administration of Online Transactions (《網絡交易監督管理辦法》), enacted by the SAMR on March 15, 2021, and amended on March 18, 2025 with the amendments effective from May 1, 2025, regulate all business activities involving sales of commodities or provision of services through the internet and other information networks as well as the supervision and administration thereof by market regulatory departments within the territory of mainland China. No online transaction business may engage in business operations without a license or permit in violation of any law, regulation or decision of the State Council. Except under the circumstances where registration is not required as prescribed in Article 10 of the E-Commerce Law of the PRC, an online transaction business shall undergo market entity registration in accordance with the law. In addition, an online transaction business shall disclose commodity or service information in a comprehensive, truthful, accurate and timely manner, and protect consumers' right to know and right to choose.

The Administrative Provisions on Internet Live-Streaming Services (《互聯網直播服務管理規定》)

On November 4, 2016, the CAC issued Administrative Provisions on Internet Live Streaming Services (《互聯網直播服務管理規定》), which became effective on December 1, 2016. Under the Administrative Provisions on Internet Live Streaming Services, "internet live streaming" refers to the activities of continuously releasing real-time information to the public based on the internet in forms such as video, audio, images and texts, and "internet live-streaming service providers" refers to the operators that provide internet live-streaming platform services. In addition, the internet live-streaming service providers shall take various measures when operating its services, such as examining and verifying the authenticity of the identification information and file this information for record.

Guiding Opinions of the State Administration for Market Regulation on Strengthening the Supervision of Live Streaming Marketing Activities (《市場監管總局關於加強網絡直播營銷活動監管的指導意見》)

On November 5, 2020, the SAMR issued Guiding Opinions of the State Administration for Market Regulation on Strengthening the Supervision of Live Streaming Marketing Activities (《市場監管總局關於加強網絡直播營銷活動監管的指導意見》) (the "**Guiding Opinions on the Supervision of Live Streaming Marketing Activities**"), which came into effect on the same day. According to the Guiding Opinions on the Supervision of Live Streaming Marketing Activities, the legal responsibilities of relevant entities shall be specified, the conduct of live streaming marketing shall be strictly regulated, and the illegal acts in live streaming marketing shall be investigated and punished.

The Measures for the Administration of Live Streaming Marketing (for Trial Implementation) (《網絡直播營銷管理辦法(試行)》)

On April 16, 2021, the CAC, Ministry of Public Security, the Ministry of Commerce, Ministry of Culture and Tourism, the State Taxation Administration, the SAMR, the National Radio and Television Administration jointly issued the Measures for the Administration of Live Streaming Marketing (for Trial Implementation) (《網絡直播營銷管理辦法(試行)》) ("**Administration of Live Streaming Marketing (for Trial Implementation)**"), which came into effect on May 25, 2021. The Administration of Live Streaming Marketing (for Trial Implementation) shall apply to commercial activities of marketing in the form of live streaming by video, live streaming by audio, live streaming with photos and words or a combination of multiple live streaming forms through Internet websites, applications, and mini programs, among others, within the territory of the PRC. Whoever engages in live streaming marketing activities shall abide by laws and regulations, follow public order and good morals, observe business ethics, adhere to correct orientation, and carry forward socialist core values, so as to create a sound network ecology.

Laws and Regulations Relating to Import and Export Goods

Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》)

According to the Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》) (the "**Foreign Trade Law**") promulgated by the SCNPC on May 12, 1994, and subsequently amended on April 6, 2004, November 7, 2016 and December 30, 2022, foreign trade business operators engaging in the import or export of goods or technology must go through the record filing and registration formalities with the MOFCOM or the agency entrusted by the MOFCOM.

Customs Law of the PRC (《中華人民共和國海關法》)

Pursuant to the Customs Law of the PRC (《中華人民共和國海關法》) promulgated by the SCNPC on January 22, 1987 and amended on July 8, 2000, June 29, 2013, December 28, 2013, November 7, 2016, November 4, 2017 and April 29, 2021, unless otherwise stipulated, the declaration of import and export goods may be made by consignees and consignors themselves, and such formalities may also be completed by their entrusted customs brokers that have registered with the Customs. The consignees and consignors for import or export of goods and the customs brokers engaged in customs declaration shall file for record with the Customs in accordance with the laws.

Administrative Provisions of the Customs of the People's Republic of China on Record-filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》)

Pursuant to the Administrative Provisions of the Customs of the People's Republic of China on Record-filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》) promulgated by the General Administration of Customs of the PRC on November

19, 2021 which came into effect on January 1, 2022, the term "customs declaration entities" pertains to consignees and consignors of import and export goods, as well as customs declaration enterprises officially registered with the customs authorities. Entities seeking recordation are required to hold valid market entity qualifications. Specifically, importers and exporters must also possess records as foreign trade operators. The recordation status of customs declaration entities is of a permanent nature, while temporary recordation holds a validity period of one year. Upon expiration, entities are entitled to reapply for recordation.

Law of the PRC on Import and Export Commodity Inspection and its Implementation Regulations (《中華人民共和國進出口商品檢驗法》及其實施條例)

According to the Law of the PRC on Import and Export Commodity Inspection (《中華人民共和國進出口商品檢驗法》) which was promulgated by the SCNPC on February 21, 1989 and implemented on August 1, 1989, and last revised on April 29, 2021, and the Implementation Regulations on the Law of the PRC on Import and Export Commodity Inspection (《中華人民共和國進出口商品檢驗法實施條例》) which was promulgated by the State Council on August 31, 2005 and implemented on December 1, 2005, and last revised on March 29, 2022, the General Administration of Customs is responsible for inspection of import and export commodities. The entry-exit inspection and quarantine authorities shall conduct inspection on the import and export commodities listed in the catalogue and other import and export commodities that shall be subject to the inspection of the entry-exit inspection organs as prescribed by laws and administrative regulations. For the import and export commodities other than those that are subject to statutory inspection by the entry-exit inspection and quarantine authorities as mentioned above, the entry-exit inspection and quarantine authorities may conduct random inspection in accordance with state regulations. No import commodity subject to statutory inspection that has not been inspected could be sold or used. No export commodity subject to statutory inspection that has not been inspected or fails to pass the inspection could be exported.

Regulation of the People's Republic of China on the Administration of the Import and Export of Goods (《中華人民共和國貨物進出口管理條例》)

The Regulations of the People's Republic of China on the Administration of the Import and Export of Goods (《中華人民共和國貨物進出口管理條例》) (the "**Regulations on the Administration of the Import and Export of Goods**") was issued by the State Council on December 10, 2001 and most recently amended on March 10, 2024 with effect as of May 1, 2024. The Regulations on the Administration of the Import and Export of Goods shall be observed in the importation of goods to within the customs boundary of the People's Republic of China or exportation of goods to beyond the customs boundary of the People's Republic of China. Unless clearly provided in laws or administrative regulations to forbid or restrict the import or export of goods, no entity or individual may establish or maintain prohibitive or restrictive measures over the import or export of goods.

The Measures for the Record and Registration of Foreign Trade Operators (《對外貿易經營者備案登記辦法》)

According to the Measures for the Record and Registration of Foreign Trade Operators (《對外貿易經營者備案登記辦法》) which was promulgated by the MOFCOM on June 25, 2004, implemented on July 1, 2004, and subsequently revised on August 18, 2016, November 30, 2019 and May 10, 2021, foreign traders engaging in import and export of goods or technology shall complete the filing and registration with the MOFCOM or its delegated agencies. Where a foreign trade operator fails to complete the filing and registration, the customs will refuse to handle customs declaration and the clearance of goods imported or exported by the operator. However, with reference to the notice on the Unified Platform of the Business System of the MOFCOM, according to the Decision on Amending the Foreign Trade Law of the PRC (《關於修改<中華人民共和國對外貿易法>的決定》) made by the SCNPC on December 30, 2022, foreign traders engaged in the import and export of goods or technologies were not required to go through the filing and registration procedures from December 30, 2022.

Laws and Regulations Relating to Anti-unfair Competition

The PRC Anti-monopoly Law (《中華人民共和國反壟斷法》)

The PRC Anti-monopoly Law (《中華人民共和國反壟斷法》) was promulgated by SCNPC on August 30, 2007, took effect on August 1, 2008 and was amended on June 24, 2022 and such amendment took effect on August 1, 2022, the relevant operators of a concentration of undertakings which reaches the standard for declaration shall make an advance declaration to the anti-monopoly law enforcement authority under the State Council and it prohibits monopolistic conduct, such as entering into monopoly agreements, abuse of dominant market position and concentration of undertakings that have the effect of eliminating or restricting competition. The revised Anti-monopoly Law provides, among others, that business operators shall not use data, algorithms, technology, capital advantages and platform rules to exclude or limit competition, and also requires relevant government authorities to strengthen the examination of concentration of undertakings in areas related to national welfare and people's well-being, and enhances penalties for violation of the regulations regarding concentration of undertakings.

Anti-unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》)

According to the Anti-unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》), or the Anti-unfair Competition Law, which was promulgated by the SCNPC on September 2, 1993 and implemented on December 1, 1993, and last revised on April 23, 2019, operators shall comply with the principle of voluntariness, equality, impartiality, integrity and abide by laws and business ethics in market transactions. Under the Anti-unfair Competition Law, unfair competition refers to an operator disrupts the market competition order and damages the legitimate rights and interests of other operators or consumers in violation of the provisions of the Anti-unfair Competition Law in the production and operating activities. Operators who violate of the Anti-unfair Competition Law shall bear corresponding civil, administrative or criminal responsibilities depending on the specific circumstances.

Laws and Regulations Relating to Environment Protection and Product Disposal

Environmental Protection Law of the PRC (《中華人民共和國環境保護法》)

Pursuant to the PRC Environmental Protection Law (《中華人民共和國環境保護法》), promulgated on December 26, 1989 and came into effect on the same day, latest amended on April 24, 2014 and came into effect on January 1, 2015, the waste discharge licensing system has been implemented in the PRC and entities that discharge wastes shall obtain a Waste Discharge License (排污許可證). Furthermore, facilities for the prevention and control of pollution at a construction project shall be designed, constructed and put into operation simultaneously with the major construction works of the construction project. Environmental protection authorities impose various administrative penalties on persons or enterprises in violation of the Environmental Protection Law. Such penalties include warnings, fines, orders to rectify within a prescribed period, orders to cease construction, orders to restrict or suspend production, orders to make recovery, orders to disclose relevant information or make an announcement, imposition of administrative action against relevant responsible persons, and orders to shut down enterprises. In addition, environmental organizations may also bring lawsuits against any entity that discharges pollutants detrimental to the public welfare.

Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》)

Pursuant to the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》) promulgated on October 28, 2002, came into effect on September 1, 2003 and latest amended on December 29, 2018, the State implements administration by classification on the environmental impact of construction projects according to the level of impact on the environment. The construction unit shall prepare an environmental impact report or an environmental impact form or complete an environmental impact registration form (the "**Environmental Impact Assessment Documents**") for reporting and filing purposes. If the Environmental Impact Assessment Documents of a construction project have not been reviewed by the approving authority in accordance with the law or have not been granted approval after the review, the construction unit is prohibited from commencing construction works.

The Regulations on Urban Drainage and Sewage Disposal (《城鎮排水與污水處理條例》) and the Measures for the Administration of Permits for the Discharge of Urban Sewage into the Drainage Network (《城鎮污水排入排水管網許可管理辦法》)

Enterprises that engage in the activities of industry, construction, catering, and medical treatment, etc. that discharges sewage into urban drainage facilities shall apply to the relevant competent urban drainage department for the permit for discharging sewage into drainage pipelines under relevant laws and regulations, including the Regulations on Urban Drainage and Sewage Disposal (《城鎮排水與污水處理條例》), which was promulgated on October 2, 2013 and came into force on January 1, 2014, and the Measures for the Administration of Permits for the Discharge of Urban Sewage into the Drainage Network (《城鎮污水排入排水管網許可管理辦法》), which was promulgated on January 22, 2015 and last amended on

December 1, 2022 and took effect on February 1, 2023. Drainage entities covered by urban drainage facilities shall discharge sewage into urban drainage facilities in accordance with the relevant provisions of the State. Where a drainage entity needs to discharge sewage into urban drainage facilities, it shall apply for a drainage license in accordance with the provisions of these Measures. The drainage entity that has not obtained the drainage license shall not discharge sewage into urban drainage facilities.

The Interim Measures on Administration of Environmental Protection for Acceptance Examination Upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》)

Pursuant to the Interim Measures on Administration of Environmental Protection for Acceptance Examination Upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》) which was promulgated on November 20, 2017 and came into effect on the same day, the construction unit is the responsible party for the acceptance of the environmental protection facilities for the completion of the construction project, and shall, in accordance with the procedures and standards stipulated in relevant regulations, organize the acceptance of the environmental protection facilities, prepare the acceptance report, disclose the relevant information, accept social supervision, ensure that the environmental protection facilities to be constructed for the construction project are put into operation or used at the same time as the main project, and be responsible for the truthfulness, accuracy and completeness of the acceptance content, conclusions and information disclosed, and shall not falsify the acceptance process. The major construction works of the construction project cannot be put into operation until the supporting facilities for environmental protection pass the inspection.

The Regulations on the Administration of Construction Project Environmental Protection (2017 Amendment) (《建設項目環境保護管理條例》(2017修訂))

On July 16, 2017, the State Council issued The Regulations on the Administration of Construction Project Environmental Protection (2017 Amendment) (《建設項目環境保護管理條例》(2017修訂)) (the "**Regulations on the Administration of Construction Project Environmental Protection**"), which came into effect on October 1, 2017. The Regulations on the Administration of Construction Project Environmental Protection shall be applicable to building of construction projects having impacts on the environment within the territory of the People's Republic of China and other territorial sea areas under the jurisdiction of the People's Republic of China. Pursuant to Regulations on the Administration of Construction Project Environmental Protection, the state practices classified control over construction project environmental protection in accordance with the extent of environmental impact of construction projects in pursuance of the following provisions: (1) a report on environmental impact should be compiled for a construction project that may cause major impact on the environment, giving comprehensive and detailed evaluation of the pollution generated and environmental impact caused by the construction project; (2) a statement on environmental impact should be compiled for a construction project that may cause light impact on the environment, giving analysis or special-purpose evaluation of the pollution generated and environmental impact caused by the construction project; and (3) a registration form should be filled out and submitted for a construction project that has slight impact on the environment

and necessitates no environmental impact evaluation. The catalogue for the categorized management of environmental impact assessment of construction projects shall be developed and published by the environmental protection administrative department of the State Council on the basis of organizing experts to conduct demonstration and soliciting opinions of the relevant departments, industry associations, enterprises and public institutions and the public.

The Regulations on The Administration of Pollutant Discharge Licensing (《排污許可管理條例》) And the Catalog of Classified Administration of Pollutant Discharge License for Stationary Pollution Sources (2019 Version) (《固定污染源排污許可分類管理名錄(2019年版)》)

Pursuant to the Regulations on the Administration of Pollutant Discharge Licensing (《排污許可管理條例》), which was promulgated by the State Council on January 24, 2021 and took effect on March 1, 2021, the enterprises, public institutions and other producers and operators (hereinafter referred to as the "**pollutant discharge entities**") included in the classified management catalog of pollutant discharge permits for stationary sources of pollution shall apply for and obtain a pollutant discharge permit within the prescribed time limit; and those not included in the catalog are not required to do so for the time being. According to the Catalog of Classified Administration of Pollutant Discharge License for Stationary Pollution Sources (2019 Version) (《固定污染源排污許可分類管理名錄(2019年版)》) issued by the Ministry of Ecology and Environment on December 20, 2019, key management, simplified management and registration management of pollutant discharge permits are implemented according to factors such as the amount of pollutants generated, the amount of emissions, the degree of impact on the environment, etc, and only pollutant discharge entities that implement registration management do not need to apply for a pollutant discharge permit.

Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》)

Pursuant to the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》) (the "**Energy Conservation Law**") promulgated by SCNPC on October 26, 2018, energy conservation is a basic national policy of China. The State implements an energy development strategy of giving consideration to conservation and development simultaneously, and placing top priority on conservation. It's prohibited to produce, import or sell energy consuming products and equipment that are explicitly eliminated by the State or are inconsistent with compulsory energy efficiency standards; and it is prohibited to use energy consuming equipment or productive techniques that are explicitly eliminated by the State. Manufacturers and importers shall be responsible for the energy efficiency labels they affix and the accuracy of relevant information. It is prohibited to sell those products that should be but have not been affixed with energy efficiency labels. If any entity produces, imports or sells energy consuming products and equipment inconsistent with compulsory energy efficiency standards, the market regulatory department shall order it to stop production, importing and sales, confiscate the energy consuming products and equipment that are illegal produced, imported and sold as well as the illegal proceeds, and simultaneously impose a fine of one time up to five times the illegal proceeds; and where the circumstances are serious, revoke the business license of that entity.

Announcement on Matters Related to the Suspension of the Collection of Waste Electrical and Electronic Products Processing Fund (《關於停徵廢棄電器電子產品處理基金有關事項的公告》)

On December 20, 2023, the MOF, the Ministry of Ecology and Environment, the NDRC and the Ministry of Industry and Information Technology promulgated the Announcement on Matters Related to the Suspension of the Collection of Waste Electrical and Electronic Products Processing Fund (《關於停徵廢棄電器電子產品處理基金有關事項的公告》). Starting from January 1, 2024, the collection of funds for the disposal of waste electrical and electronic products will be suspended, and as of December 31, 2023, for waste electrical and electronic products that have been processed and have not yet been subsidized in accordance with the Management Measures for the Collection and Use of Waste Electrical and Electronic Product Processing Funds (《廢棄電器電子產品處理基金徵收使用管理辦法》) and other regulations, subsidies will be provided by the central government's allocation of funds. Moreover, starting from January 1, 2024, newly processed waste electrical and electronic products will no longer be subject to the subsidy policy of the Waste Electrical and Electronic Product Processing Fund. The central government will allocate special funds to continue supporting the disposal activities of waste electrical and electronic products listed in the Catalogue of Waste Electrical and Electronic Products Disposal (《廢棄電器電子產品處理目錄》), with specific measures to be clarified separately.

Laws and Regulations on Fire Prevention and Production Safety

Fire Protection Law of the PRC (《中華人民共和國消防法》) and Interim Provisions on the Administration of Fire Protection Design Review and Final Inspection of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》)

Pursuant to Fire Protection Law of the PRC (《中華人民共和國消防法》), or the Fire Protection Law, promulgated by SCNPC on April 29, 1998 with the latest amendment on April 29, 2021, the Emergency Management Authority of the State Council and its local counterparts at or above county level shall monitor and administer the fire prevention affairs. The Fire and Rescue Department of People's Government are responsible for implementation. The Fire Prevention Law provides that the fire prevention design or construction of a construction project must conform to the national fire prevention technical standards (as the case may be). According to the Interim Provisions on the Administration of Fire Protection Design Review and Final Inspection of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》), issued by the Ministry of Housing and Urban-Rural Development on April 1, 2020 and effective on June 1, 2020, which was amended on August 21, 2023 and came into effect on October 30, 2023, special construction projects as defined under such Interim Provisions on the Administration of Fire Protection Design Review and Final Inspection of Construction Projects shall conduct fire protection design review and fire protection final inspection, construction projects other than such special construction projects shall file fire protection design and acceptance of the project with competent authority.

Production Safety Law of the PRC (《中華人民共和國安全生產法》)

Pursuant to the Production Safety Law of the PRC (《中華人民共和國安全生產法》), (the "**Production Safety Law**"), promulgated by the SCNPC on June 29, 2002 and implemented on November 1, 2002, and last revised on June 10, 2021, entities engaged in production and business activities in mainland China shall comply with the Production Safety Law and other laws and regulations related to production safety. Entities shall strengthen the management, establish and improve responsibility systems and polices, improve conditions, promote the development of production safety standards, and improve the production level to ensure their production safety. The primary persons in charge of the production and operation entities are fully responsible for the production safety of their entities. Violation of the Production Safety Law may result in imposition of fines and penalties, suspension of operation, an order to cease operation, or even criminal liability in severe cases.

Laws and Regulations on Land, Planning and Project Construction Land

The Land Administration Law of the PRC and its Implementation Regulations (《中華人民共和國土地管理法》及其實施條例)

According to the Land Administration Law of the PRC (《中華人民共和國土地管理法》) promulgated by the SCNPC on June 25, 1986 and latest amended on August 26, 2019, and the Regulations for the Implementation of the Land Administration Law of the PRC (《中華人民共和國土地管理法實施條例》) promulgated by the State Council on December 27, 1998 and latest revised on July 2, 2021, the land in the PRC is either State-owned or collectively-owned. Except for land which is legally owned by the State or has been expropriated as State-owned according to law, all of the land is collectively-owned. The State-owned land use rights may be used by third parties through grant, allocation, lease, capital contribution and other forms. Third parties who have obtained the State-owned land use rights may legally use, profit from and dispose of the State-owned land use rights within the statutory term of use and scope of planned uses.

The Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》)

According to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》) promulgated by the SCNPC on October 28, 2007 and latest amended on April 23, 2019, if the construction of buildings, structures, roads, pipelines and other projects is carried out in the planned area of a city or a town, the construction entity or individual shall apply to the competent authority of urban and rural planning of the people's government of the city or county or the people's government of the town as determined by the people's government of the province, autonomous region or municipality directly under the Central Government for a construction project planning permit.

The Construction Law of the PRC (《中華人民共和國建築法》)

According to the Construction Law of the PRC (《中華人民共和國建築法》) promulgated by the SCNPC on November 1, 1997 and latest amended on April 23, 2019, prior to the commencement of construction work, the construction entity shall apply to the competent construction administrative authority of the people's government at or above the county level where the project is located for a construction permit in accordance with the relevant provisions of the State, except for small-scale projects under the quota as determined by the construction administrative authority under the State Council. A construction project shall be delivered for use only after it has passed the acceptance examination. A construction project shall not be delivered for use without conducting or passing the acceptance examination.

Laws and Regulations Relating to Taxation

The Enterprise Income Tax Law of the PRC and its Implementation Rules (《中華人民共和國企業所得税法》及其實施條例)

The Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) promulgated by the NPC on March 16, 2007, effective on January 1, 2008 and amended on February 24, 2017 and December 29, 2018, as well as the Implementation Rules of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》) promulgated by the State Council on December 6, 2007, and most recently amended on December 6, 2024 and effective on January 20, 2025, are the principal law and regulation governing enterprise income tax in the PRC. According to the Enterprise Income Tax Law and its implementation rules, enterprises are classified into resident enterprises and non resident enterprises. Resident enterprises refer to enterprises that are legally established in the PRC, or are established under foreign laws but whose actual management bodies are located in the PRC. And non-resident enterprises refer to enterprises that are legally established under foreign laws and have set up institutions or sites in the PRC but with no actual management body in the PRC, or enterprises that have not set up institutions or sites in the PRC but have derived incomes from the PRC. A uniform income tax rate of 25% applies to all resident enterprises and non-resident enterprises that have set up institutions or sites in the PRC to the extent that such incomes are derived from their set-up institutions or sites in the PRC, or such income are obtained outside the PRC but have an actual connection with the set-up institutions or sites. And non-resident enterprises that have not set up institutions or sites in the PRC or have set up institutions or sites but the incomes obtained by the said enterprises have no actual connection with the set-up institutions or sites, shall pay enterprise income tax at the rate of 10% in relation to their income sources from the PRC.

The Interim Regulations of the PRC on Value-added Tax and its Detailed Rules (《中華人民共和國增值稅暫行條例》及其實施細則)

According to the Interim Regulations of the PRC on Value-added Tax (《中華人民共和國增值稅暫行條例》), which was promulgated by the State Council on December 13, 1993 and last revised on November 19, 2017, and the Detailed Rules for the Implementation of the Interim Regulations of the PRC on Value-added Tax (《中華人民共和國增值稅暫行條例實施細則》), which was promulgated by the MOF on December 25, 1993 and last amended on October 28, 2011, entities and individuals that sell goods or labor services of processing, repair or replacement, sell services, intangible assets, or immovables, or import goods within the territory of mainland China are taxpayers of value-added tax (the "**VAT**"), and shall pay VAT in accordance with law. Unless otherwise stipulated, the VAT rate is 17% for taxpayers selling goods, labour services, or tangible movable property leasing services or importing goods; 11% for taxpayers selling transportation, postal, basic telecommunications, construction, or immovable leasing services, selling immovables, transferring land use rights, or selling or importing specific goods; unless otherwise stipulated, 6% for taxpayers selling services or intangible assets.

The Circular of the MOF and the STA on Adjusting Value-added Tax Rate (《財政部、稅務總局關於調整增值稅稅率的通知》)

According to the Circular of the MOF and the STA on Adjusting Value-added Tax Rate (《財政部、稅務總局關於調整增值稅稅率的通知》), which was promulgated by the MOF and the State Taxation Administration of The People's Republic of China (the "**STA**") on April 4, 2018 and became effective on May 1, 2018, the tax rates for the taxable sales or goods import activity, which were subject to the tax rates of 17% and 11% respectively, were adjusted to 16% and 10% respectively.

The Circular on Policies in Relation to the Deepening of Value-added Tax Reforms (《關於深化增值稅改革有關政策的公告》)

According to the Circular on Policies in Relation to the Deepening of Value-added Tax Reforms (《關於深化增值稅改革有關政策的公告》), which was jointly promulgated by the MOF, the STA and the General Administration of Customs on March 20, 2019, the tax rate of 16% and 10% originally applicable to general VAT taxpayers' VAT taxable sales or goods import shall be adjusted to 13% and 9%, respectively.

Laws and Regulations Relating to Foreign Exchange

The PRC Foreign Currency Administration Rules (《中華人民共和國外匯管理條例》)

According to the PRC Foreign Currency Administration Rules (《中華人民共和國外匯管理條例》) promulgated on January 29, 1996 and amended from time to time, the RMB is generally freely convertible for current account items, including the distribution of dividends, trade and service related foreign exchange transactions, but not for capital account items, such as direct investment, loan, repatriation of investment and investment in securities outside the PRC, unless the prior approval of the SAFE or its designated banks is obtained.

The Notice on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》)

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated by State Administration of Foreign Exchange (the "**SAFE**") on June 9, 2016, and amended on December 4, 2023, the settlement of foreign exchange receipts under the capital account (including but not limited to foreign currency capital and foreign debts) that are subject to discretionary settlement as already specified by relevant policies may be handled at banks based on the domestic institutions' actual requirements for business operation. The ratio of the discretionary exchange rate of foreign exchange receipts under domestic capital account is tentatively set at 100%. The SAFE may adjust the above ratio in due course according to the balance of payment status.

The SAFE Circular on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》)

According to the SAFE Circular on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) which was promulgated on October 23, 2019 and amended on December 4, 2023, foreign-invested enterprises engaged in non-investment business are permitted to settle foreign exchange capital in RMB and make domestic equity investments with such RMB funds according to law on the condition that the current Negative List are not violated and the relevant domestic investment projects are genuine and in compliance with laws.

The Notice on Issues Relating to the Administration of Foreign Exchange in Fund-raising and Return Investment Activities of Domestic Residents Conducted via Offshore Special Purpose Companies (《國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知》) and the Circular of the SAFE on Foreign Exchange Administration of Equity Financing and Round-Trip Investments by Domestic Residents via Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》)

In October 2005, SAFE issued the Notice on Issues Relating to the Administration of Foreign Exchange in Fund-raising and Return Investment Activities of Domestic Residents Conducted via Offshore Special Purpose Companies (《國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知》) (the "**Circular 75**"), which became effective as of November 1, 2005, and was further supplemented by an implementing notice issued on November 24, 2005. Under the Circular 75, domestic residents must register with the relevant local counterparts of the SAFE prior to their establishment or control of an offshore entity established for the purpose of overseas equity financing involving onshore assets or equity interests held by them, and must also make filings with SAFE thereafter upon the occurrence of certain material capital changes. The Circular 75 was replaced by the

Circular of the SAFE on Foreign Exchange Administration of Equity Financing and Round-Trip Investments by Domestic Residents via Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "**Circular 37**"), which was promulgated by the SAFE in July 2014. The term "domestic residents" under Circular 37 is defined as PRC legal entities, other economic organizations, PRC citizens holding PRC ID or non-PRC citizens habitually residing in China due to economic interests. The Circular 37 requires domestic residents to register with SAFE or its local branches in connection with their direct or indirect offshore investment activities. Circular 37 further requires amendment to the SAFE registrations in the event of any changes with respect to the basic information of the offshore special purpose vehicle, such as changes of the offshore special purpose vehicle's name and operational term, or any significant changes with respect to the PRC individual shareholder, such as the increase or decrease of capital contributions, share transfer or exchange, or mergers or divisions.

Laws and Regulations Relating to Employment and Social Welfare

The Labor Law of the PRC (《中華人民共和國勞動法》)

According to the Labor Law of the PRC (《中華人民共和國勞動法》), or the Labor Law, which was promulgated by the SCNPC in July 1994, effective on January 1, 1995, and most recently amended in December 2018, an employer shall develop and improve its rules and regulations to safeguard the rights of its workers. An employer shall develop and improve its labor safety and health system, stringently implement national protocols and standards on labor safety and health, conduct labor safety and health education for workers, guard against labor accidents and reduce occupational hazards.

The PRC Labor Contract Law and its Implementation Regulations (《中華人民共和國勞動合同法》及其實施條例)

The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), which was promulgated by the SCNPC on June 29, 2007, effective on January 1, 2008, and most recently amended in December 2012, and the Implementation Regulations on Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》), promulgated and became effective on September 18, 2008, regulate both parties to a labor contract, namely the employer and the employee, and contain specific provisions involving the terms of the labor contract. It is stipulated by the Labor Contract Law and the Implementation Regulations on Labor Contract Law that a labor contract must be made in writing. An employer and an employee may enter into a fixed-term labor contract, an unfixed term labor contract, or a labor contract that concludes upon the completion of certain work assignments, after reaching an agreement upon due negotiations. An employer may legally terminate a labor contract and dismiss its employees after reaching an agreement upon due negotiations with the employee or by fulfilling the statutory conditions. Labor contracts concluded prior to the enactment of the Labor Contract Law and subsisting within the validity period thereof shall continue to be honored. With respect to a circumstance where a labor relationship has already been established but no formal contract has been made, a written labor contract shall be entered into

within one month from the effective date of the Labor Contract Law. In addition, the Labor Contract Law also imposes requirements on the use of employees of temp agencies, who are known in China as "dispatched workers." Dispatched workers are entitled to equal pay with fulltime employees for equal work. Employers are only allowed to use dispatched workers for temporary, auxiliary or substitutive positions.

Laws and Regulations on Supervision over the Social security and Housing Funds

As required under the Regulation of Insurance for Labor Injury (《工傷保險條例》) first implemented on January 1, 2004 and amended in 2010, the Provisional Measures for Maternity Insurance of Employees of Corporations (《企業職工生育保險試行辦法》) came into effect on January 1, 1995, the Decisions on the Establishment of a Unified Program for Basic Old-Aged Pension Insurance of the State Council (《國務院關於建立統一的企業職工基本養老保險制度的決定》) issued on July 16, 1997, the Decisions on the Establishment of the Medical Insurance Program for Urban Workers of the State Council (《國務院關於建立城鎮職工基本醫療保險制度的決定》) promulgated on December 14, 1998, the Unemployment Insurance Measures (《失業保險條例》) promulgated on January 22, 1999, the Interim Regulations Concerning the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) amended by the State Council and coming into effect on March 24, 2019 and the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) which was released by the SCNPC on October 28, 2010, came into force on July 1, 2011 and was then amended on December 29, 2018, enterprises are obliged to provide their employees in the PRC with welfare schemes covering basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance. These payments are made to local administrative authorities and any employer that fails to contribute may be fined and ordered to make up within a prescribed time limit.

Pursuant to the Regulation on the Administration of Housing Accumulation Funds (《住房公積金管理條例》) released by the State Council on April 3, 1999 and came into force on the same day, which latest amended by the State Council and coming into effect on March 24, 2019, an employer shall pay the housing accumulation funds for its employees in accordance with the relevant provisions of the state.

Laws and Regulations Relating to Intellectual Property Rights

The Patent Law of the PRC and its Implementation Regulations (《中華人民共和國專利法》及其實施細則)

According to the Patent Law of the PRC (《中華人民共和國專利法》), which was promulgated by the SCNPC on March 12, 1984 and implemented on April 1, 1985, and last revised on October 17, 2020 and came into effect on June 1, 2021, and the Implementation Regulations of the Patent Law of the PRC (《中華人民共和國專利法實施細則》), which was promulgated by the State Council on June 15, 2001, implemented on July 1, 2001 and last amended on December 11, 2023, with the latest amendment being effective on January 20, 2024, patents in mainland China are divided into invention patent, utility patent and design

patent. Invention patent shall be valid for 20 years from the date of application, while utility patent shall be valid for 10 years and design patent shall be valid for 15 years from the date of application respectively. The patent right entitled to its owner shall be protected by the laws. Any person shall be licensed or authorized by the patent owner before using such patent. Otherwise, the use constitutes an infringement of the patent right.

The Trademark Law of the PRC and its Implementing Regulations (《中華人民共和國商標法》及其實施條例)

Trademarks are protected by the Trademark Law of the PRC (《中華人民共和國商標法》) which was issued by the SCNPC on August 23, 1982, came into effect on March 1, 1983 with latest amended on April 23, 2019, and became effective on November 1, 2019 and the PRC Trademark Law Implementing Regulations (《中華人民共和國商標法實施條例》), which was issued by the State Council on August 3, 2002, came into effect on September 15, 2002, amended on April 29, 2014 and came into effect on May 1, 2014. The trademark bureaus under the State Administration for Market Regulation are responsible for trademark registration and authorizing registered trademarks for a validity period of 10 years. Trademarks may be renewable every ten years where a registered trademark needs to be used after the expiration of its validity period. Trademark registrants may license, authorize others to use their registered trademark by signing up a trademark license contract. The trademark license agreements shall be submitted to the trademark office for recording. For trademarks, trademark law adopts the principle of "prior application" with respect to trademark registration. Where a trademark under registration application is identical with or similar to another trademark that has, in respect of the same or similar commodities or services, been registered or, after preliminary examination and approval, this application for such trademark registration may be rejected. Anyone applying for trademark registration shall not prejudice the existing right first obtained by anyone else, or forestall others in registering a trademark which others have already begun to use and which has "sufficient degree of reputation."

The Copyright Law of the PRC (《中華人民共和國著作權法》)

Pursuant to the Copyright Law of the PRC (《中華人民共和國著作權法》), or the Copyright Law, promulgated by the SCNPC on September 7, 1990 and implemented on June 1, 1991, and last revised on November 11, 2020 and came into effect on June 1, 2021, Chinese citizens, legal persons or other organizations shall, whether published or not, enjoy copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software created in writing or oral or other forms. A copyright holder shall enjoy a number of rights, including the right of publication, the right of authorship and the right of reproduction.

The Measures for the Registration of Computer Software Copyright and the Regulation on Computers Software Protection (《計算機軟件著作權登記辦法》及《計算機軟件保護條例》)

Pursuant to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration on February 20, 2002 and amended on June 18, 2004, and the Regulation on Computers Software Protection (《計算機軟件保護條例》) amended by the State Council on January 30, 2013 and came into effect on March 1, 2013, the National Copyright Administration is mainly responsible for the registration and management of software copyright in mainland China and recognizes the China Copyright Protection Centre as the software registration organization. The China Copyright Protection Centre shall grant certificates of registration to computer software copyright applicants in compliance with the regulations of the Measures for the Registration of Computer Software Copyright and the Regulation on Computers Software Protection.

The Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》)

According to the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》) promulgated by the Ministry of Industry and Information Technology, which was issued on August 24, 2017 and came into effect on November 1, 2017, the Ministry of Industry and Information Technology shall be responsible for managing internet network domain names in the PRC. The principle of "first-to-file" is adopted for domain name services. The applicant of domain name registration shall provide the agency of domain name registration with the true, accurate and complete information relating to the domain name to be applied for, and sign the registration agreements as well. Upon the completion of the registration process, the applicant will become the holder of the relevant domain name.

Laws and Regulations on Securities and Overseas Listings

The Securities Law of the PRC (《中華人民共和國證券法》)

The Securities Law of the PRC (《中華人民共和國證券法》) (hereinafter referred to as the "**PRC Securities Law**"), which was amended by the SCNPC on December 28, 2019 and came into effect on March 1, 2020, provides a series of provisions regulating, among other things, the issue and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of the State Council's securities regulatory authorities in the PRC, and comprehensively regulates activities in the PRC securities market. The PRC Securities Law provides that a domestic enterprise must comply with the relevant provisions of the State Council in issuing securities directly or indirectly outside the PRC or listing and trading its securities outside the PRC. Currently, the issue and trading of foreign issued shares are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》)

On February 17, 2023, the CSRC released several regulations regarding the management of filings for overseas offerings and listings by domestic companies, including the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》), or the Overseas Listing Trial Measures, together with several supporting guidelines (together with the Overseas Listing Trial Measures, collectively referred to as the "**Overseas Listing Regulations**"). Under Overseas Listing Regulations, mainland China domestic companies that seek to offer and list securities in overseas markets, either in direct or indirect means, are required to file the required documents with the CSRC within three working days after its application for overseas listing is submitted.

The Overseas Listing Regulations provides that no overseas offering and listing shall be made under any of the following circumstances: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the domestic company intending to make the securities offering and listing, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic company intending to make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the domestic company's controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller. Additionally, the Overseas Listing Regulations stipulates that after an issuer has offering and listing securities in an overseas market, the issuer shall submit a report to the CSRC within three working days after the occurrence and public disclosure of (i) a change of control thereof, (ii) investigations of or sanctions imposed on the issuer by overseas securities regulators or relevant competent authorities, (iii) changes of listing status or transfers of listing segment, and (iv) a voluntary or mandatory delisting. Overseas offering and listing by domestic companies shall be made in strict compliance with relevant laws, administrative regulations and rules concerning national security in spheres of foreign investment, cybersecurity, data security and etc, and duly fulfill their obligations to protect national security.

The Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》)

On February 24, 2023, the CSRC and three other relevant government authorities jointly promulgated the Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》), or the Provision on

Confidentiality. Pursuant to the Provision on Confidentiality, where a domestic enterprise provides or publicly discloses any document or material that involving state secrets and working secrets of state agencies to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, it shall report to the competent department with the examination and approval authority for approval in accordance with the law, and submit to the secrecy administration department of the same level for filing. The working papers formed within the territory of the PRC by the securities companies and securities service agencies that provide corresponding services for the overseas issuance and listing of domestic enterprises shall be kept within the territory of the PRC, and cross-border transfer shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN MEXICO

The Mexico regulations that have a significant impact on our business are set out below:

Laws and Regulations Relating to Product Liability

The Federal Consumer Protection Law ("**LFPC**") is the primary legislation regulating product liability in Mexico. It aims to protect consumers' rights and ensures that products meet safety and quality standards. The following are some key provisions established by the LFPC: (i) manufacturers, distributors, and sellers are liable for damage caused by defective or unsafe products; (ii) sellers must provide accurate and clear information about the product, including its proper use, risk and maintenance requirements; and (iii) products must comply with applicable Mexican Official Standards ("**NOMs**") for safety, labeling and performance.

Additionally, the Federal Consumer Protection Agency ("**PROFECO**") is responsible for overseeing compliance and may impose fines or mandate product recalls for violations.

Laws and Regulations Relating to the Environment

The General Law of Ecological Balance and Environmental Protection ("**LGEEPA**") sets the framework for sustainable development and environmental protection in Mexico. Some of the dispositions relevant for air conditioners are the regulation of air emissions and pollution from manufacturing facilities, the Environmental Impact Assessments ("**EIA**") for facilities engaged in manufacturing processes that could harm the environment.

The General Law for the Prevention and Comprehensive Management of Waste ("**LGPGIR**") governs the generation, handling, and disposal of waste, including hazardous materials. Some of the dispositions relevant for air conditioners are the regulations regarding proper disposal and recycling of components such as refrigerants and electrical waste, as well as the requirements for manufacturers to implement waste management plans.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN JAPAN

The Japanese regulations that have a significant impact on our business are set out below:

Laws and Regulations Relating to the Environment

The Act on Rational Use and Proper Management of Fluorocarbons ("**Fluorocarbon Emission Control Act**") was implemented in April 2015, replacing the original Fluorocarbons Recovery and Destruction Law to establish comprehensive management measures for fluorocarbons throughout their lifecycle, from production to disposal. A revised version of the Fluorocarbon Emission Control Law took effect on April 1, 2020.

The term "designated products" as designed by the Japanese government means products in which considerable amounts of fluorocarbons are used, and upon the use, etc. of which it is technically possible to promote reduction in emissions of fluorocarbons. For managers of class I specified products (including commercial refrigeration and air conditioners), fluorocarbon filling or recovery must be performed by authorized class I fluorocarbon filling and recovery operators. When disposing of equipment, personnel must either transfer fluorocarbons directly to a class I fluorocarbon filling and recovery operator or arrange recovery through equipment companies who must then deliver to a class I fluorocarbon filling and recovery operator. This process requires submission of recovery commission forms and other documentation under the process management system.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN THAILAND

The regulations in Thailand that have a significant impact on our business are set out below:

Civil and Commercial Code

The Civil and Commercial Code of Thailand, as amended (the "**CCC**"), serves as a cornerstone legal framework governing a broad spectrum of legal matters, including, but not limited to, property law, corporate law, family law, inheritance law, contract law, and commercial law. Corporate law, and particularly shareholding regulations, is one of the key areas addressed by the CCC.

Foreign Business Act

Foreign Business Act B.E. 2542 (1999), as amended (the "**FBA**"), is the most important law governing foreigners' participation in businesses in Thailand. Although there is no limit to the percentage of shares that foreign investors may own in a limited company, if half or more than half of the company's shares are held by non-Thai individuals and/or juristic persons, it will be considered a foreign-majority-owned company and subject to the FBA. Under the FBA, many business activities are restricted for foreign investors. Such business activities are divided into 3 (three) lists, i.e., List 1, List 2, and List 3.

List 3 includes, among others, all service businesses, wholesale, retail, etc. For the restricted business activities indicated in List 3, a foreign-majority-owned company may apply for a Foreign Business License (FBL) with the approval of the Foreign Business Committee, the MOC.

Alternatively, a foreign-majority-owned company can opt to pursue a Foreign Business Certificate ("**FBC**"), which is a notification process and not an approval process, instead of applying for an FBL, if it meets the following qualifications: (1) it qualifies for protection under an international treaty that Thailand has entered into, such as the Treaty of Amity and Economic Relations between the United States and Thailand ("**Thai-US Treaty of Amity**") in respect of the US majority shareholders and directorship requirements; or (2) it obtains an investment promotion from the Board of Investment ("**BOI**") under the Investment Promotion Act, B.E. 2520 (A.D.1977), as amended; or (3) it is located in an industrial estate, and it obtains an operational license from the Industrial Estate Authority of Thailand ("**IEAT**").

Generally, a manufacturing business (including the sale of the manufactured products) is not a restricted business under List 1, 2, or 3 of the FBA, and therefore, a foreign-majority-owned company can operate a manufacturing business, including the manufacturing of air conditioners, without obtaining an FBL or an FBC.

Labor Laws

The principal laws that govern labor matters in Thailand are the CCC Sections 575-586 — Hire of Services, the Labor Protection Act B.E. 2541 ("**LPA**"), and certain other relevant laws which primarily include: (1) The Labor Relations Act B.E. 2518 (1975), (2) The Act on Establishment of Labor Courts and Labor Court Procedures B.E. 2522 (1979), (3) The Provident Fund Act B.E. 2530 (1987), (4) The Social Security Act B.E. 2533 (1990), (5) The Workmen's Compensation Act B.E. 2537 (1994), (6) The Labour's Skills Development Act B.E. 2545 (2002), (7) The Persons with Disabilities Empowerment Act B.E. 2550 (1994), and (8) The Emergency Decree on Foreigners' Working Management B.E. 2560 (2017).

The CCC sets out the principles of the contractual relationship between the employer and the employee. The Labor Relations Act provides for the supervision of the establishment of labor unions and other similar employer and employee associations, including their administration. The Act on Establishment of Labor Courts and Labor Court Procedures was enacted to establish the Labor Courts and their procedures, as well as to protect employees in circumstances of unfair termination. The Emergency Decree on Foreigners' Working Management requires foreign nationals to obtain work permits prior to working in Thailand. This Act and the accompanying Royal Decree designate certain occupations that foreign nationals are excluded from undertaking. The present list contains 40 occupations that are prohibited for foreigners.

Consumer Protection Act B.E. 2522 (1979)

The Consumer Protection Act B.E. 2522 (1979) was promulgated on April 30, 1979. It was last amended by the Consumer Protection Act (No. 4) B.E. 2562 (2019) on May 24, 2019. The CPA's role is to provide regulatory control over products and services in general. The CPA granted the following protection rights[1] to consumers: (1) the right to information, including correct and adequate description of the quality of the goods or services; (2) the right to enjoy freedom with respect to the selection of goods or services; (3) the right to be afforded safety in respect to the use of the goods or services; (4) the right to fairness in concluding contracts; and (5) the right to have injuries considered and compensated for.

Provided that all these issues shall be as provided by the law on the particular matter, or by this Act, to secure and provide such protection, the CPA has also established a Consumer Protection Board ("**CPB**") to supervise consumer-related cases. The roles and responsibilities of the CPB have been segregated into four (4) different committees, which are, namely: (i) the Committee on Advertisement; (ii) the Committee on Safety of Goods and Services; (iii) the Committee on Labels; and (iv) the Committee on Contracts.

1 Section 4 of CPA as amended by the Consumer Protection Act (No. 4) B.E. 2562 (2019).